

Roberto R. Betó Alonzo
Democrat for Railroad Commissioner of Texas

April 13, 2020

Via electronic mail to: conference@rrc.texas.gov

Railroad Commission of Texas

P.O. Box 12967

Austin, Texas 78711-2967

RE: MOTION FOR COMMISSION CALLED HEARING ON THE VERIFIED COMPLAINT OF PIONEER NATURAL RESOURCES U.S.A. INC. AND PARSLEY ENERGY INC. TO DETERMINE REASONABLE MARKET DEMAND FOR OIL IN THE STATE OF TEXAS

Dear Chair Craddick, Commissioner Sitton, Commissioner Christian:

Thank you for the opportunity to submit comments on the issue of whether the Railroad Commission of Texas should exercise its authority of curtailing statewide production to stabilize the oil and gas market.

This letter is to state my unequivocal support for prorationing and/or other state – mandated managed production cuts to deal with the impact of both geopolitical factors and reduced energy demand on the economy of the great state of Texas.

The United States is currently the largest oil producer in the world and Texas is the largest oil producing state, accounting for five million of the thirteen million barrels produced nationally each day.

During this time of unprecedented levels of challenge, the Railroad Commission of Texas should take lead to make this and other difficult decisions to stabilize the economy – other states will follow Texas' lead. Not only would such action have positive consequences for the oil and gas industry, employees, workforce, and state budget, but it could possibly reduce the fluctuation for those local and state governments that depend on oil for a substantial portion of their revenue.

In addition, the coronavirus pandemic presents a unique opportunity for regulators, industry and environmentalists to collaborate to address climate change as reducing production necessarily reduces gas emissions and flaring. Unrefuted evidence exists that industrial air production contributes to chronic health conditions that affect the citizens of Texas. The interests of climate advocates and environmentalists with the interests of those in the oil & gas industry are for once in-sync. I urge the Railroad Commission of Texas to work with industry to come up with mandatory production cuts which have a meaningful impact on the state and national economy while effecting a positive climate change.

Thank you to those members of the oil and gas industry who recognize the need to make this change.

Please contact me should you have any questions.

Sincerely,
Roberto R. Alonzo